
	<b>NORTH CAROLINA DEPARTMENT OF COMMERCE DIVISION OF WORKFORCE SOLUTIONS</b>
	<b>DWS POLICY STATEMENT NUMBER: PS 14-2013</b>
	<b>Date: August 16, 2013</b>
	<b>Subject: On-the-Job Training Initiative Funds Available From Workforce Investment Act</b>
	<b>From:</b>   <hr/> <b>Roger Shackleford, Assistant Secretary</b>

**Purpose:** To transmit policy and requirements for requesting Dislocated Worker On-the-Job Training (OJT) Initiative funds and to rescind Local Area Issuance No. 2012-09.

**Background:** The Division of Workforce Solutions is making funds available from North Carolina's Workforce Investment Act (WIA) Rapid Response allocation to address critical needs by providing additional opportunities to local Workforce Development Boards for OJT.

To continue the success demonstrated by North Carolina's OJT projects, the OJT Initiative outlined in this Policy Statement will fund OJT programs that: (1) help workers obtain valuable skills while returning to employment and earning wages; (2) stimulate the local economy by offering opportunities for employer services; and (3) encourage employers to hire workers by offering them reimbursement for a portion of employee wages while new employees are in training.

**Requirements:** All Workforce Investment Act regulations must be followed. Specific On-the-Job Training references include: WIA Public Law No. 105-220 Sections 101(31)-Definition; 181(a)(1)(A) and (a)(b)(5); 195(4); and Federal Regulations 20 CFR Part 663.700-730, 667.266, 667.268, 667.270, 667.272, 667.274 and North Carolina Division of Workforce Solutions On-the-Job Training policy requirements (Policy Statement Number: PS 13-2013, and any subsequent revisions).

An OJT Initiative participant must be a Dislocated Worker and determined an appropriate OJT candidate based on the individual's WIA Individual Employment Plan and analysis of acquisition of skills required by the employer for competency in the occupation that trainee does not already possess.

Reimbursement for occupational training will be provided to the employer for the OJT participant's wages to compensate for the employer's extraordinary costs of training. Through a waiver granted by the U.S. Department of Labor (through June 30, 2017), the following sliding reimbursement scale for wages based on employer size *may* be used:

- 1) 1-50 Employees = up to 90%
- 2) 51-250 Employees = up to 75%
- 3) 251 and over Employees = up to 50%

While there is not a wage cap for reimbursement, Local Workforce Development Boards are encouraged to be cognizant of maximizing service with available resources. Duration of the training period for reimbursement may not exceed six calendar months.

Employers may be in the private for-profit or private non-profit sectors or in the public sector. The OJT Initiative's goal is to assist employers find good employees and for participants to obtain good jobs at sustainable wages. Benefits, in addition to wages, should be considered in determining OJT placements.

An average wage level of \$14.90 per hour is the goal for this OJT Initiative.

N.C. Career Readiness Certificates are strongly encouraged for OJT trainees, however, are not required.

**Action:**

Local Workforce Development Boards may request OJT Initiative funds by submitting an Administrative Adjustment in the Workforce Information System Enterprise (WISE). A detailed description of funding needs following the format found in Attachment 1 must be attached to the Administrative Adjustment request. Requests will be accepted through June 30, 2014 and may not exceed \$200,000 per request. Funds subject to availability.

OJT Initiative Funds do not include Administrative funds. Financial reporting will be Workforce Information System Enterprise (WISE) specific to this project. Participants must be entered in NCWorks Online and will be included in performance calculations. Funds must be expended by December 31, 2014.

A final report on outcomes and expenditures must be submitted to the assigned Division Planner by February 28, 2015 per Attachment 2.

**Effective Date:** Immediately

**Expiration:** February 28, 2015

**Contact:** Division Planner

**Attachments**

1. OJT Initiative Fund Request
2. OJT Initiative Final Report

## On-the-Job Training (OJT) Initiative Fund Request

**Local Workforce Development Board:** \_\_\_\_\_

The Local Workforce Development Board must submit an Administrative Adjustment in WISE and attach the completed information as shown. [Note: In WISE, select 'no' at Budget Revision. If awarded, funds will be added by Division.]

**I. Amount requested: \$**\_\_\_\_\_

**II. Provide the following:**

1. Provide justification for additional OJT funds and include local unemployment rate and number of persons receiving Unemployment Insurance.
2. Local Workforce Development Board's method of operating OJT programs, including staff positions involved, and incorporation into Integrated Services Delivery.
3. Local Workforce Development Board's established plan for recruitment of private, private non-profit employers, and, if applicable, public sector employers. Include industries identified as promising candidates for OJT. Include involvement with partner agencies to identify OJT participants and employers.
4. The number of additional Dislocated Workers to be served with requested funds. Include the estimated average wage to be paid to OJT participants.
5. Budget showing amount of funds for wage reimbursement, staff and other program costs.
6. Include a timeline for OJT Initiative Project operation.

**ON-THE-JOB TRAINING INITIATIVE FINAL REPORT –  
due by February 28, 2015**

The local Workforce Development Board must submit the final report, in the following format, as an e-mail attachment to assigned Division Planner.

- I.** Provide outcomes from OJT Initiative funding in narrative. Include significant learning experiences and recommendations.
- II.** List occupations and numbers of jobs filled and employer(s) participating.
- III.** Provide actual expenditures, showing amount of OJT Initiative funds expended for wage reimbursement listed by each participating employer, staff costs and other program costs. Include average hourly wage paid to OJT participants by occupation and employer. Provide overall project average hourly wage.
- IV.** Provide a chart listing number of employees, by employer, who began OJT and corresponding number who completed (were employed with OJT employer at end of training period), and wage paid and reimbursement percentage.